(b) if so, the details thereof;

(c) whether this diminishes the revenue earnings of these institutions hampering its financial stability;

(d) whether Government considers waiving off the tax on buildings owned by these institutions; and

(e) if so, what is Government's response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) to (c) Service tax is leviable on renting of immovable property by any person for use in the course of furtherance of business or commerce [section 65(105)(zzzz) of the Finance Act, 1994] w.e.f. 01.06.2007. Person means any legal person including Local Self Government Institutions. Service tax is an indirect tax and a tax on consumption of service. The impact of service tax is, therefore, on the consumer of service *i.e.* the person who has taken the immovable property on rent for business or commercial use, and not on the service provider namely the Local Self Government Institutions. Service provider is only an agent to collect service tax and deposit with the Government.

(d) and (e) There is no proposal under the consideration of the Government to exempt Local Self Government Institutions from service tax on services provided in relation to renting of immovable property for use in the course or furtherance of business or commerce.

Consolidation of Public Sector Banks

2399. SHRI D. RAJA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the major trade unions of all Public Sector Banks have opposed the idea of consolidation of Banks in India by the method of bringing all the associate banks under the State Bank of India umbrella; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Associations/Unions of the officers/employees of some Associate Banks of State Bank of India (SBI) have expressed reservations against merger/modalities of merger of these banks with SBI. Government is of the view that any proposal for consolidation, by way of merger etc., of one public sector bank with another pupblic sector bank, should emanate from the concerned banks with Government playing a supportive role. While considering any such merger proposal, Government keeps in view the interests of all stakeholders, including employees of merging banks.

Rise and Fall in Sensex

†2400. SHRI BANWARI LAL KANCHHAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government is aware of the continuous fluctuations in the Sensex of the stock market resulting in possible impact on the general public;

(b) whether Government has constituted any committee to have a control over it; and

(c) if so, the details thereof?

† Original notice of the question was received in Hindi.